



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB5574

Introduced 2/15/2012, by Rep. Roger L. Eddy

SYNOPSIS AS INTRODUCED:

105 ILCS 230/5-35

Amends the School Construction Law. Provides that with respect to a school district that (i) has an approved school construction project for which a grant entitlement was issued for Fiscal Year 2003 or any fiscal year thereafter, but a grant is not awarded until after Fiscal Year 2011 and (ii) passes a referendum at any time from the date of the amendatory Act through July 1, 2014 to reorganize or form a cooperative high school with one or more surrounding school districts, the grant index used to determine the district's grant amount must be 1.00; provided that the maximum amount of the grant must be the recognized project cost and the reorganization must result from either an elementary or high school district reorganizing into a unit school district or a unit school district reorganizing with one or more other unit school districts. Provides that the newly reorganized district, but not the cooperative high school itself, must have an enrollment of no less than 500 students. Effective immediately.

LRB097 15032 NHT 63466 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning schools.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The School Construction Law is amended by
5 changing Section 5-35 as follows:

6 (105 ILCS 230/5-35)

7 Sec. 5-35. School construction project grant amounts;
8 permitted use; prohibited use.

9 (a) The product of the district's grant index and the
10 recognized project cost, as determined by the Capital
11 Development Board, for an approved school construction project
12 shall equal the amount of the grant the Capital Development
13 Board shall provide to the eligible district. However, with
14 respect to a school district that (i) has an approved school
15 construction project for which a grant entitlement was issued
16 for Fiscal Year 2003 or any fiscal year thereafter, but a grant
17 is not awarded until after Fiscal Year 2011, and (ii) passes a
18 referendum at any time from the date of this amendatory Act of
19 the 97th General Assembly through July 1, 2014 to reorganize or
20 form a cooperative high school under Section 10-22.22c of this
21 Code with one or more surrounding school districts, the grant
22 index used to determine the district's grant amount must be
23 1.00; provided that the maximum amount of the grant must be the

1 recognized project cost. In order to benefit from this
2 increased grant index, however, the reorganization must result
3 from either an elementary or high school district reorganizing,
4 in accordance with Article 11E of this Code, into a unit school
5 district or a unit school district reorganizing, in accordance
6 with Article 11E of this Code, with one or more other unit
7 school districts; and the newly reorganized district, but not
8 the cooperative high school itself, must have an enrollment of
9 no less than 500 students. The grant index shall not be used in
10 cases where the General Assembly and the Governor approve
11 appropriations designated for specifically identified school
12 district construction projects.

13 The average of the grant indexes of the member districts in
14 a joint agreement shall be used to calculate the amount of a
15 school construction project grant awarded to an eligible Type
16 40 area vocational center.

17 (b) In each fiscal year in which school construction
18 project grants are awarded, 20% of the total amount awarded
19 statewide shall be awarded to a school district with a
20 population exceeding 500,000, provided such district complies
21 with the provisions of this Article.

22 In addition to the uses otherwise authorized by this Law,
23 any school district with a population exceeding 500,000 is
24 authorized to use any or all of the school construction project
25 grants (i) to pay debt service, as defined in the Local
26 Government Debt Reform Act, on bonds, as defined in the Local

1 Government Debt Reform Act, issued to finance one or more
2 school construction projects and (ii) to the extent that any
3 such bond is a lease or other installment or financing contract
4 between the school district and a public building commission
5 that has issued bonds to finance one or more qualifying school
6 construction projects, to make lease payments under the lease.

7 (b-5) In addition to the uses otherwise authorized by this
8 Law, any school district that (1) was organized prior to 1860
9 and (2) is located in part in a city originally incorporated
10 prior to 1840 is authorized to use any or all of the school
11 construction project grants (i) to pay debt service on bonds,
12 as those terms are defined in the Local Government Debt Reform
13 Act, that are issued to finance one or more school construction
14 projects and (ii) to the extent that any such bond is a lease
15 or other installment or financing contract between the school
16 district and a public building commission that has issued bonds
17 to finance one or more qualifying school construction projects,
18 to make lease payments under the lease.

19 (c) No portion of a school construction project grant
20 awarded by the Capital Development Board shall be used by a
21 school district for any on-going operational costs.

22 (Source: P.A. 96-731, eff. 8-25-09; 96-1467, eff. 8-20-10.)

23 Section 99. Effective date. This Act takes effect upon
24 becoming law.